

CHAPTER 5 LICENSE AND PERMIT DIVISION

[Ch 5, IAC 7/1/75 renumbered Ch 6, IAC 3/7/79]
[Prior to 10/8/86, Beer and Liquor Control Department [150]]

185—5.1(123) Manufacture and sale of native wine. Manufacturers of native wine from grapes, cherries, other fruits or other fruit juices, vegetables, vegetable juices, dandelions, clover, honey, or any combination of these ingredients, may sell, keep or offer for sale and deliver their native wine subject to the following regulations and restrictions.

5.1(1) *Manufacturer of native wine defined.* A manufacturer of native wine is a person in Iowa who processes grapes, cherries, other fruits or other fruit juices, vegetables, vegetable juices, dandelions, clover, honey, or any combination of these ingredients, by fermentation into wine.

5.1(2) *Residency requirements.* A manufacturer of native wine who is a sole proprietor must be a resident of Iowa. At least one of the partners of a partnership which is a manufacturer of native wine must be a resident of Iowa. A corporation which is a manufacturer of native wine must be registered to do business in Iowa with the Iowa secretary of state's office in lieu of any other residency requirements.

5.1(3) *Licenses required.*

a. Class "A" native wine permit. Before selling its wine to the division, Class "A" wine wholesalers, retail wine permittees, and liquor control licensees, a manufacturer of native wine shall apply for and shall obtain from the division one Class "A" native wine permit and a \$5,000 bond for its wineries and for its retail establishments. A Class "A" native wine permit obtained for a native winery and for retail establishments costs \$25 a year. A manufacturer of native wine may obtain an application for a Class "A" native wine permit from the division and may submit the completed application and the \$25 fee to the division without having to get the application approved by a local authority. Each Class "A" native wine permit is valid for one year from the effective date and must be renewed each year. A manufacturer of native wine must display the original or a copy of its Class "A" native wine permit in each of its native wineries and in each of its retail establishments. The \$25 fee paid for a Class "A" native winery is not refundable. A manufacturer of native wine must register its retail establishment on forms provided by the division. The division shall issue a manufacturer of native wine duplicate copies of its Class "A" native wine permit so that a copy of it can be posted in each winery and retail establishment.

b. Vintner's certificate of compliance. In order for a manufacturer of native wine to be able to sell its wine to the division, it must obtain an application for a vintner's certificate of compliance from the division and must obtain a vintner's certificate from the division at no expense in addition to obtaining from the division its one Class "A" native wine permit.

c. Class "B" wine permit. In order for a manufacturer of native wine to sell wine it did not manufacture, it must obtain a Class "B" wine permit and a \$1,000 bond for each native winery or retail establishment.

5.1(4) *Exclusive operation of retail establishments.* No person except a manufacturer of native wine can operate a Class "A" native wine retail establishment.

5.1(5) *Distance a retail establishment must be from a native winery.* A manufacturer of native wine cannot have a retail establishment within five miles of a native winery not operated by the manufacturer of native wine.

5.1(6) *Sale of native wine only.* A manufacturer of native wine may sell wine it did not manufacture only if it obtains an appropriate retail wine permit for each location.

5.1(7) *Hours of sale.* A manufacturer of native wine can sell its native wine in its native winery and in its retail establishments on Mondays through Saturdays between the hours of 9 a.m. and 10 p.m. and on Sundays between the hours of 10 a.m. and 12 midnight.

5.1(8) *Premises, books of account and records available for inspection.* A manufacturer of native wine shall cause the premises, books of account, and records to be accessible and available at all reasonable times for inspection by representatives of the division, the law enforcement division of the Iowa department of public safety, or members of local police authority.

5.1(9) *Delivery of native wine.* A manufacturer of native wine may ship its native wine in closed containers to individual purchasers inside and outside Iowa.

5.1(10) *Reports required.*

a. Monthly combined wine production and wine gallonage tax report. A monthly report is required showing the amount of wine on hand at the beginning of the month, the amount produced, the amount sold, the amount of wine gallonage tax due, and any other information requested. Report forms shall be furnished by the division. A manufacturer of native wine shall submit a report along with any wine gallonage tax payment to the division's licensing division by the tenth of each month for the preceding month's business. Reports and wine gallonage tax payments postmarked by the tenth of each month for the preceding month shall be considered timely. This report must be mailed for each month even if no wine sales were made during the month.

b. Annual report. A manufacturer of native wine shall, in January of each year, deliver to the division a complete report, sworn to under oath by the owner, a partner or corporate officer, showing the number of gallons of wine produced by the winery in the preceding year. Report forms shall be furnished by the division.

5.1(11) *Wine gallonage tax.* A manufacturer of native wine must pay to the division a \$1.75 wine gallonage tax on its native wine it sells at wholesale: (1) to retail liquor licensees, (2) to retail beer permittees, (3) to retail wine permittees, and (4) to the division. A manufacturer of native wine does not pay the \$1.75 wine gallonage tax on its native wine it: (1) sells at retail in Iowa in its winery and in its retail establishments, (2) ships to individuals inside and outside Iowa, and (3) sells to other Class "A" wine permittees and to Class "F" beer permittees.

This rule is intended to implement Iowa Code sections 123.4, 123.56, and 123.183.

185—5.2(123) *Special permits issued.* Rescinded IAB 8/18/93, effective 7/29/93.

185—5.3(123) *Licensed manufacturers and wholesalers.*

5.3(1) *License required.* A separate manufacturer's or wholesaler's license shall be required for each place of business of the holder.

5.3(2) *To whom liquor may be sold outside the state of Iowa.* The holder of a manufacturer's or wholesaler's license shall not sell alcoholic liquor outside the state of Iowa, except to a purchaser having the legal right to buy and receive it from the seller at the place of sale and place of delivery, respectively.

5.3(3) *Proof of right to purchase.* Before making a sale to a purchaser other than the division, a licensed manufacturer or wholesaler shall require the purchaser to produce and exhibit for inspection proof of the right to purchase alcoholic liquor according to the laws of the purchaser's own state.

5.3(4) *Registry number of license or permit to physician or pharmacist required.* If the purchaser is a licensed physician or pharmacist or the holder of any other form of license or permit entitling the purchaser to purchase alcoholic liquor, the licensed manufacturer or wholesaler must make a record of the sale which shows the registry number of the license or permit, date thereof and where and to whom it was issued and the date of the sale, name and address of the purchaser and kind and quantity of alcoholic liquor sold.

5.3(5) *Licensed manufacturer or wholesaler to maintain record.* The licensed manufacturer or wholesaler shall maintain a record of all shipments of liquor received and an individual record of each and every sale made, which record shall disclose the name and address of the purchaser and the kind and quantity of alcoholic liquor sold to each purchaser. The licensed manufacturer or wholesaler shall obtain from the carrier a receipt for each shipment of alcoholic liquor to each purchaser and shall deliver the receipt or the duplicate original of the receipt to the division.

5.3(6) *Records accessible and available for inspection.* All records, books of account and premises of a licensed manufacturer or wholesaler shall be accessible and available at all reasonable times for inspection by representatives of the division.

This rule is intended to implement Iowa Code sections 123.4, 123.41 and 123.42.

185—5.4(123) *Investigation before issuing license or permit.* No manufacturer's or wholesaler's license, nor any special permit referred to in Iowa Code section 123.29, shall be issued until an inves-

tigation has been made which shows that the applicant is entitled to such license or permit under the laws of Iowa and the rules of the division.

This rule is intended to implement Iowa Code sections 123.4, 123.41 and 123.42.

185—5.5(123) Eligibility for beer and wine wholesalers licenses. Rescinded IAB 5/15/91, effective 6/19/91.

185—5.6(123) Living quarters permit. This permit may be issued by the administrator to a licensee/permittee after an application furnished by the division has been filed with and approved by the local approving authority. The local approving authority shall forward the application to the license division of the division for processing.

This rule is intended to implement Iowa Code sections 123.4 and 123.30.

185—5.7(123) Change of ownership of a licensed premises, new license or permit required.

5.7(1) A new license or permit and a new bond and a new dramshop policy must be obtained whenever one of the following occurs:

- a. When a business is sold or leased to another person.
- b. When a licensee or permittee changes to another form of business, such as: sole proprietorship to a corporation; a corporation to a sole proprietorship; a sole proprietorship to a partnership; a partnership to a sole proprietorship; a partnership to a corporation; or a corporation to a partnership.
- c. When a partner leaves a partnership or when a new partner is added to a partnership.
- d. When a corporation name is changed due to a merger or is voluntarily changed by its owners.
- e. Each time an entity obtains a seasonal license or permit.
- f. When a receiver takes over the operation of an establishment.

5.7(2) A new license or permit is not required:

- a. When only the trade name of the business is changed.
- b. When the stock of a corporation holding a license or permit is sold. A letter to the division listing the new owner or owners and the amount of stock held by each is required.
- c. When a name of a licensee or permittee is changed by marriage, divorce, or other legal proceeding. A letter requesting the name change is required.
- d. When a license or permit is transferred to another location within the jurisdiction of the local authority as allowed by rule 185—4.18(123).

This rule is intended to implement Iowa Code sections 123.4, 123.21(11), 123.31 and 123.56.

185—5.8(123) Dramshop liability insurance requirements. For the purpose of providing proof of financial responsibility, as required under the provisions of Iowa Code section 123.92, a liability insurance policy must meet the following requirements.

5.8(1) Current certificate required. It must be issued by a company holding a current certificate of authority from the Iowa insurance commissioner authorizing the company to issue dramshop liability insurance in Iowa or issued under the authority and requirements of Iowa Code sections 515.147 to 515.149. The dramshop policy must take effect the day the license or permit takes effect and must run until the expiration date of the license or permit. A new dramshop and a new bond must be provided each time the division issues a new license with a new license number or a new permit with a new permit number.

5.8(2) Countersigned. It must be countersigned by a resident insurance agent licensed by the issuing company.

5.8(3) Limits of liability. It must provide the following limits of liability, exclusive in interests and cost of action, per accident: (For the purpose of this subrule, the word “accident” shall mean any one occurrence, or any one accident, or series of accidents or occurrences arising out of any one event, or any one case of intoxication.)

- a. Ten thousand dollars in respect to any one person who shall be injured in person or killed.
- b. Subject to the limitation stated above as respects any one person, \$20,000 in respect to all persons who shall be injured in person or killed.

c. Five thousand dollars in respect to any and all persons who shall be injured in means of support.

5.8(4) Cancellation. A surety company or a principal may cancel a bond by giving a minimum of 30 days' prior written notice to this division of the party's intent to cancel the bond. The 30-day period shall begin on the date that this division receives the notice of cancellation. The party seeking to cancel a bond shall mail written notice of such cancellation to the division in Ankeny, Iowa, by certified mail, and further shall mail a copy of the notice of cancellation to the other party, at that party's post office address. The notice of cancellation shall contain: the name of the party to whom the copy of the notice of cancellation was mailed, the address to which the copy of the notice of cancellation was sent, the date on which the notice of cancellation was mailed, the date the bond is being canceled, and the liquor control license or permit number of the licensee or permittee to be affected by such cancellation. The cancellation or notice thereof shall have no force or effect in the event that the principal's liquor control license or permit has been revoked during the period of the policy, or where an administrative hearing complaint has been filed, and charges are currently pending against the licensee or permittee which could result in revocation of the license or permit after an administrative hearing on the complaint.

5.8(5) Civil tort liability. Subject to these conditions and exclusions usually found in a policy of dramshop liability insurance, the policy must contain coverage to insure against all civil tort liability of the insured, created under Iowa Code sections 123.92, 123.93 and 123.94, as they now exist or may hereafter be amended.

5.8(6) Proof of financial responsibility. A licensee or permittee shall be deemed to have furnished proof of financial responsibility as contemplated under the provisions of Iowa Code sections 123.92, 123.93, and 123.94 when it has filed with the division at its offices in Ankeny, Iowa, a properly executed form as described by 185—subrule 12.2(8).

5.8(7) Signature required. Copies of the form described above shall not be deemed properly executed unless the authorized company representative executing the same shall first have filed with the division a sample of the representative's signature. Facsimile signatures will be acceptable.

5.8(8) Proof of liability insurance. Rescinded IAB 5/15/91, effective 6/19/91.

This rule is intended to implement Iowa Code sections 123.4, 123.21(11), 123.92, 123.93, and 123.94.

185—5.9(123) Surety bond requirements. A \$5000 penal bond must be filed with the division with each application for a liquor control license. A \$500 penal bond must be filed with the division for a retail beer permit. Each must meet the following requirements.

5.9(1) Certificate of authority. It must be issued by a company holding a current certificate of authority from the commissioner of insurance authorizing the company to issue bonds in Iowa.

5.9(2) Forfeiture of beer or liquor bond. It must contain a provision for the principal and surety to consent to the forfeiture of principal sum of the bond in the event of revocation of the license or permit by the violation of any Iowa Code provision which requires forfeiture of the bond.

5.9(3) Cancellation. An insurance company or an insured may cancel a liability policy by giving a minimum of 30 days' prior written notice to this division of the party's intent to cancel the liability policy. The 30-day period shall begin on the date that this division receives the notice of cancellation. The party seeking to cancel a liability policy shall mail written notice of such cancellation to the division in Ankeny, Iowa, by certified mail, and further shall mail a copy of the notice of cancellation to the other party, at that party's post office address. The notice of cancellation shall contain: the name of the party to whom the copy of the notice of cancellation was mailed, the address to which the copy of the notice of cancellation was sent, the date on which the notice of cancellation was mailed, the date the liability policy is being canceled, and the liquor control license or permit number of the licensee or permittee to be affected by such cancellation.

5.9(4) Proof of bond. A licensee or permittee shall be deemed to have furnished a surety bond when it has filed with the division at its offices in Ankeny, Iowa, a form described by 185—subrule 12.2(7).

5.9(5) Alternate for surety bond. Rescinded IAB 5/15/91, effective 6/19/91.

5.9(6) Two bonds. Rescinded IAB 5/15/91, effective 6/19/91.

5.9(7) Class “E” bond. A Class “E” liquor control licensee shall post a bond with the division, on forms approved by the division, in one of the following amounts: \$5,000, \$10,000 or \$15,000. A Class “E” liquor control licensee may determine the amount of the bond to be posted with the division, and may increase or decrease the face amount of the bond in increments of \$5,000 on one occasion during the licensee’s first year of business. Thereafter, a licensee may increase or decrease the face amount of the bond in increments of \$5,000 only when the liquor control license is renewed. A Class “E” liquor control licensee is authorized to order or purchase alcoholic liquor from the division in an amount not to exceed the face amount of the bond posted in any single transaction. If a licensee desires to order or purchase alcoholic liquor in an amount exceeding the face amount of the bond posted in any single transaction, the licensee shall be required, at the time of delivery, to tender cash or a certified check for the amount of the order or purchase which exceeds the face amount of the bond posted.

This rule is intended to implement Iowa Code sections 123.21, 123.30, 123.128 and 123.129.

185—5.10(123) Combination wine licenses and permits. The administrator shall issue the following Class “F,” “G,” and “H” liquor licenses and Class “D” and “E” beer permits after the application has been approved by a local authority and the following Class “F” beer permit which application does not need local approval and is to be submitted directly to the division.

5.10(1) Class “F” liquor license. A Class “F” liquor control license may be issued to a commercial establishment but must be issued in the name of the individuals who actually own the entire business and shall authorize the holder to purchase alcoholic liquors from only the division, native wines from native wine manufacturers, wines from only Class “A” wine permittee or a Class “F” beer permittee, and to sell such liquors, wine, and beer, to patrons by the individual drink for consumption on the premises only, however, beer and wine may also be sold in original containers only for consumption off the premises.

5.10(2) Class “G” liquor license. A special Class “G” liquor control license may be issued and shall authorize the holder or holders to purchase wine containing not more than 17 percent alcohol by weight from only a Class “A” wine permittee or a Class “F” beer permittee, and to sell such wine and beer, to patrons by the individual drink for consumption on the premises only, however, beer and wine may also be sold in original containers only for consumption off the premises. The license issued to holders of a special Class “G” license shall clearly state on its face “alcoholic liquor, limited to wine only.”

5.10(3) Class “H” liquor license. A Class “H” liquor control license may be issued to a hotel or motel and shall authorize the holder to purchase alcoholic liquors from only the division, native wines from native wine manufacturers, wines from only a Class “A” wine permittee or a Class “F” beer permittee, and to sell such liquors, wine, and beer to patrons by the individual drink for consumption on the premises only, however, beer and wine may also be sold in original containers only for consumption off the premises. Each license shall be effective throughout the premises described in the application.

5.10(4) Class “D” beer permit. Subject to the provisions of this chapter, any person holding a Class “D” permit shall be authorized to sell beer for consumption on and off the premises and wine in original containers only for consumption off the premises. The holder can purchase beer from a Class “A” beer permittee or a Class “F” beer permittee and can purchase wines from either the division, a Class “A” wine permittee, or a Class “F” beer permittee. However, unless otherwise provided in this chapter, no sale of beer shall be made for consumption on the premises unless the place where such service is made is equipped with tables and seats sufficient to accommodate not less than 25 persons at one time.

5.10(5) Class “E” beer permit. Any person holding a Class “E” permit shall be allowed to sell beer and wine in original containers only for consumption off the premises. The holder can purchase beer from a Class “A” beer permittee or a Class “F” beer permittee and can purchase wines from either the division, a Class “A” wine permittee, or a Class “F” beer permittee.

5.10(6) Class “F” beer permit. Any person holding a Class “F” beer permit issued by the division shall be authorized to manufacture and sell, or sell at wholesale, beer for consumption off the premises, such sales within the state to be made only to persons holding subsisting Class “A,” “B,” or “C” per-

mits, or liquor control licenses issued in accordance with the provisions of this chapter. A Class “F” beer permit also allows the holder to manufacture and sell, or sell at wholesale, in the state, wine as defined in Iowa Code subsection 123.3(7). The holder of a Class “F” beer permit may manufacture in this state wine having an alcoholic content greater than 17 percent by weight for shipment outside this state or for sale to the division.

This rule is intended to implement Iowa Code sections 123.4 and 123.21(12).

185—5.11(123) Fees and surcharge enacted by the legislature for combination wine licenses and permits. The annual fees for Class “F,” “G,” and “H” liquor licenses and Class “D,” “E,” and “F” beer permits are as follows:

5.11(1) Class “F” liquor control licenses, the sum as follows:

- a. Commercial establishments located within the corporate limits of cities of 10,000 population and over, a \$1,800.00 fee plus a \$390.00 surcharge for a total cost of \$2,190.00.
- b. Commercial establishments located within the corporate limits of cities of over 1,500 and less than 10,000 population, a \$1,450.00 fee plus a \$285.00 surcharge for a total cost of \$1,735.00.
- c. Commercial establishments located within the corporate limits of cities of 1,500 population or less, a \$1,100.00 fee plus a \$180.00 surcharge for a total of \$1,280.00.
- d. Commercial establishments located outside the corporate limits of any city, a sum equal to that charged in the incorporated city located nearest the premises to be licensed, and in case there is doubt as to which of two or more differing corporate limits are the nearest, the license fee which is the larger shall prevail.

5.11(2) Class “G” liquor control licenses which limit sales of alcoholic liquor to wine containing not more than 17 percent alcohol by weight, a sum as follows:

- a. Commercial establishments located within the corporate limits of cities of 10,000 population and over, a \$950.00 fee plus a \$135.00 surcharge for a total cost of \$1,085.00.
- b. Commercial establishments located within the corporate limits of cities of over 1,500 and less than 10,000 population, an \$800.00 fee plus a \$90.00 surcharge for a total cost of \$890.00.
- c. Commercial establishments located within the corporate limits of cities of 1,500 population or less, a \$650.00 fee plus a \$45.00 surcharge for a total cost of \$695.00.
- d. Commercial establishments located outside the corporate limits of any city, a sum equal to that charged to the incorporated city located nearest the premises to be licensed, and in case there is doubt as to which of two or more differing corporate limits are the nearest, the license fee which is the larger shall prevail.

5.11(3) Class “H” liquor control licenses, the sum as follows:

- a. Hotels or motels located within the corporate limits of cities of 10,000 population and over, a \$1,800.00 fee plus a \$390.00 surcharge for a total cost of \$2,190.00.
- b. Hotels and motels located within the corporate limits of cities of over 3,000 and less than 10,000 population, a \$1,550.00 fee plus a \$315.00 surcharge for a total cost of \$1,865.00.
- c. Hotels and motels located within the corporate limits of cities of 3,000 population and less, a \$1,300.00 fee plus a \$240.00 surcharge for a total cost of \$1,540.00.
- d. Hotels and motels located outside the corporate limits of any city, a sum equal to that charged in the incorporated city located nearest the premises to be licensed, and in case there is doubt as to which of two or more differing corporate limits is the nearest, the license fee which is the largest shall prevail.

5.11(4) The annual permit fee for a Class “D” beer permit shall be graduated according to population as follows:

- a. For premises located within the corporate limits of cities with a population of 10,000 and over, \$800.00.
- b. For premises located within the corporate limits of cities with a population of at least 1,500 but less than 10,000, \$700.00.
- c. For premises located within the corporate limits of cities with a population of under 1,500, \$600.00.

d. For premises located outside the corporate limits of any city, a sum equal to that charged in the incorporated city located nearest the premises to be operated under the permit, and in case there is doubt as to which of two or more differing corporate limits is the nearest, the permit fee which is the largest shall prevail.

5.11(5) The annual permit fee for a Class “E” beer permit shall be graduated on the basis of the amount of interior floor space which comprises the retail sales area of the premises covered by the permit, as follows:

- a.* Up to 1,500 square feet, the sum of \$575.00.
- b.* Over 1,500 square feet and up to 2,000 square feet, the sum of \$600.00.
- c.* Over 2,000 and up to 5,000 square feet, the sum of \$700.00.
- d.* Over 5,000 square feet, the sum of \$800.00.

5.11(6) The annual permit fee for a Class “F” beer permit shall be \$1,000.00.

5.11(7) Method used to calculate amount of surcharge on Class “F,” Class “G,” and Class “H” liquor licenses. A 30 percent surcharge is added to the fees for all Class “A,” Class “B,” Class “C,” and special Class “C” liquor licenses; however, the 30 percent surcharge is not added to the \$500 fee for the sale of wine for off-premises consumption.

This rule is intended to implement Iowa Code sections 123.4 and 123.21(12).

185—5.12(123) Distribution of fees and the surcharge enacted by the legislature for combination wine licenses and permits. The total annual fees and the surcharge enacted by the legislature for Class “F,” “G,” and “H” liquor licenses and Class “D” and “E” beer permits are to be submitted to the division with the applications. The division shall distribute these fees and surcharge payments as follows:

5.12(1) Of the \$2,190.00 total cost for a Class “F” liquor license in subrule 5.11(1), paragraph “a,” the division shall retain a total of \$1,345.00 consisting of \$955.00 of the license fee and the \$390.00 surcharge, and the division shall forward \$845.00 of the license fee to the local authority.

5.12(2) Of the \$1,735.00 total cost for a Class “F” liquor license in subrule 5.11(1), paragraph “b,” the division shall retain a total of \$1,117.50 consisting of \$832.50 of the license fee and the \$285.00 surcharge, and the division shall forward \$617.50 of the license fee to the local authority.

5.12(3) Of the \$1,280.00 total cost for a Class “F” liquor license in subrule 5.11(1), paragraph “c,” the division shall retain a total of \$890.00 consisting of \$710.00 of the license fee and the \$180.00 surcharge, and the division shall forward \$390.00 of the license fee to the local authority.

5.12(4) Of the \$1,085.00 total cost for a Class “G” liquor license in subrule 5.11(2), paragraph “a,” the division shall retain a total of \$747.50 consisting of \$612.50 of the license fee and the \$135.00 surcharge, and the division shall forward \$337.50 of the license fee to the local authority.

5.12(5) Of the \$890.00 total cost for a Class “G” liquor license in subrule 5.11(2), paragraph “b,” the division shall retain a total of \$665.00 consisting of \$575.00 of the license fee and the \$90.00 surcharge, and the division shall forward \$225.00 of the license fee to the local authority.

5.12(6) Of the \$695.00 total cost for a Class “G” liquor license in subrule 5.11(2), paragraph “c,” the division shall retain a total of \$582.50 consisting of \$537.50 of the license fee and the \$45.00 surcharge, and the division shall forward \$112.50 of the license fee to the local authority.

5.12(7) Of the \$2,190.00 total cost for a Class “H” liquor license in subrule 5.11(3), paragraph “a,” the division shall retain a total of \$1,345.00 consisting of \$955.00 of the license fee and the \$390.00 surcharge, and the division shall forward \$845.00 of the license fee to the local authority.

5.12(8) Of the \$1,865.00 total cost for a Class “H” liquor license in subrule 5.11(3), paragraph “b,” the division shall retain a total of \$1,182.50 consisting of \$867.50 of the license fee and the \$315.00 surcharge, and the division shall forward \$682.50 of the license fee to the local authority.

5.12(9) Of the \$1,540.00 total cost for a Class “H” liquor license in subrule 5.11(3), paragraph “c,” the division shall retain a total of \$1,020.00 consisting of \$780.00 of the license fee and the \$240.00 surcharge, and the division shall forward \$520.00 of the license fee to the local authority.

5.12(10) Of the \$800.00 fee for a Class “D” beer permit in subrule 5.11(4), paragraph “a,” the division shall retain \$500.00 and shall issue \$300.00 to the local authority.

5.12(11) Of the \$700.00 fee for a Class “D” beer permit in subrule 5.11(4), paragraph “b,” the division shall retain \$500.00 and shall issue \$200.00 to the local authority.

5.12(12) Of the \$600.00 fee for a Class “D” beer permit in subrule 5.11(4), paragraph “c,” the division shall retain \$500.00 and shall issue \$100.00 to the local authority.

5.12(13) Of the \$575.00 fee for a Class “E” beer permit in subrule 5.11(5), paragraph “a,” the division shall retain \$500.00 and shall issue \$75.00 to the local authority.

5.12(14) Of the \$600.00 fee for a Class “E” beer permit in subrule 5.11(5), paragraph “b,” the division shall retain \$500.00 and shall issue \$100.00 to the local authority.

5.12(15) Of the \$700.00 fee for a Class “E” beer permit in subrule 5.11(5), paragraph “c,” the division shall retain \$500.00 and shall issue \$200.00 to the local authority.

5.12(16) Of the \$800.00 fee for a Class “E” beer permit in subrule 5.11(5), paragraph “d,” the division shall retain \$500.00 and shall issue \$300.00 to the local authority.

5.12(17) Of the \$1,000.00 fee for a Class “F” beer permit in subrule 5.10(6), the division shall retain the entire \$1,000.00 fee.

This rule is intended to implement Iowa Code sections 123.4 and 123.21(12).

185—5.13(123) Bonds for combination wine and beer permits. The following bond is required for Class “F” beer permit:

5.13(1) to 5.13(5) Rescinded IAB 5/15/91, effective 6/19/91.

5.13(6) A bond in the amount of \$10,000.00 is required for a Class “F” beer permit.

This rule is intended to implement Iowa Code sections 123.4 and 123.21(12).

185—5.14(123) Effect on retail and wholesale bottled wine licenses and permits. All applicable provisions of division I of Iowa Code chapter 123 and administrative rules relating to retail liquor licenses apply to Class “F,” “G,” and “H” liquor licenses. All applicable provisions of division II of Iowa Code chapter 123 and administrative rules relating to retail beer permits apply to Class “D” and “E” beer permits and Class “B” wine permits. All applicable provisions of division II of Iowa Code chapter 123 and administrative rules relating to Class “A” beer permits apply to Class “F” beer permits and Class “A” wine permits.

This rule is intended to implement Iowa Code subsection 123.21(12).

185—5.15(123) Refunds for fees for wholesale and retail bottled wine licenses. The division and local authorities shall give quarterly refunds on fees paid for Class “F,” “G,” and “H” liquor licenses, Class “D” and “E” beer permits, and the division shall give quarterly refunds on fees for Class “A” and “F” beer permits and Class “A” and “B” wine permits.

This rule is intended to implement Iowa Code section 123.38.

185—5.16(123) Liquor license surcharge enacted by the legislature. Effective July 1, 1986, the surcharge enacted by the legislature will be added to the license fee for all Class “A,” Class “B,” Class “C,” and special Class “C” liquor control licenses. The surcharge shall be equal to 30 percent of the statutory license fees. The statutory license fee and the surcharge shall be paid in one payment prior to the issuance of a liquor control license. All liquor licenses which take effect on or after July 1, 1986, are subject to the surcharge including those issued prior to July 1, 1986, which are effective on or after July 1, 1986.

This rule is intended to implement Iowa Code section 123.36.

185—5.17(123) Calculating liquor license cost with Sunday Sales Privilege and surcharge enacted by the legislature. The fee for a Sunday Sales Privilege for a liquor license is 20 percent of the liquor license fee (not including the amount of the liquor license surcharge). The liquor license surcharge enacted by the legislature is equal to 30 percent of the sum of the regular license fee and the Sunday Sales Privilege fee.

This rule is intended to implement Iowa Code section 123.36.

185—5.18(123) Surcharge on seasonal licenses. A 30 percent surcharge shall be added to the scheduled fees for all seasonal (14-day licenses, 6-month and 8-month licenses) Class “A,” Class “B,” and

special Class “C” liquor control licenses and combination licenses issued pursuant to Iowa Code chapter 123.

This rule is intended to implement Iowa Code section 123.36.

185—5.19(123) Surcharge refund. When all or part of a license fee is refunded to a licensee, the 30 percent surcharge shall be refunded in the same proportion as the fee refunded.

This rule is intended to implement Iowa Code section 123.36.

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∅Two ARCs.

**See Alcoholic Beverages Division in IAB.